



**Agreement for Participation in the
Special Supplemental Nutrition Program for
Women, Infants and Children (WIC Program)**

STATE OF SOUTH CAROLINA

COUNTY

THIS AGREEMENT, is made and entered into this _____ day of _____, by and between the South Carolina Department of Health and Environmental Control (DHEC), State of South Carolina, hereinafter referred to as the State WIC Program, and _____, hereinafter referred to as the vendor.
(Vendor's Name)

_____ SAMPLE _____

Participant means participant, parents or caretakers of infant and child participants and authorized alternates (proxies).

THE PARTIES OF THIS AGREEMENT HEREBY AGREE AS FOLLOWS:

The Vendor agrees that his/her place of business is classified as the following type, based on WIC Program definitions:

- _____ **Type 1 -** **Chain:** One of a group of stores owned by a single entity
(individual or corporation)
- _____ **Type 2 -** **Franchise:** Owned by an individual but receives stock as part
of a group of stores.
- _____ **Type 3 -** **Commissary:** Government owned facilities.
- _____ **Type 4 -** **Independent/Convenience:** Stores of varying size which are
owned by an individual or small company and do not have the
buying power of a group, stocking primarily "convenience items"
(i.e., limited stock such as bread, milk, eggs, and sundries).
- _____ **Type 5 -** **Pharmacy:** Primarily sells products such as medicine, health
care items, etc.

A. The Vendor Agrees:

1. To stock and make available a reasonable choice of authorized foods, as listed below, for the vendor's defined store type:
 - a. Type one (1), Type two (2) and Type three (3) stores agree to stock the following:
 - 1) **Infant formula** - at least one hundred twenty-four (124) cans of Similac with iron, thirteen (13) ounce concentrate; at least sixty-two (62) cans of Isomil, thirteen (13) ounce concentrate;
 - 2) **Infant cereal** - at least three (3) varieties without fruit; eight (8) ounce boxes, at least six (6) boxes each;
 - 3) **Whole milk and low fat milk** - at least four (4) half-gallon, and eight (8) gallon containers of each type;
 - 4) **Skim milk** - five (5) gallons total quantity in any combination of gallon/half-gallon containers;

- 5) **Cheese** - at least two (2) chunk style, eight (8) ounce or one (1) pound size; at least four (4) pounds. No shredded, deli-specialty cheese, cheese food, cheese product, or cheese spread allowed;
 - 6) **Cereal** - at least six (6) varieties of WIC approved cereal; at least four (4) boxes of each.
 - 7) **Juice (unsweetened)** - at least two (2) varieties in forty-six (46) ounce, single strength cans; one (1) orange, and one (1) apple, at least six (6) cans of each. At least one (1) variety of twelve (12) ounce frozen concentrate, at least six (6) cans;
 - 8) **Eggs** - large or medium (white); at least eight (8) dozen;
 - 9) **Dried peas or beans** - one (1) pound package; at least two (2) types; at least four (4) packages each of unflavored; Example: NO ham flavored;
 - 10) **Tuna** - at least one hundred and four (104) ounces in any can container size. Any brand, water or oil packed;
 - 11) **Carrots** - at least two varieties of either frozen, mature fresh, or canned; at least four (4) pounds each;
 - 12) **Peanut Butter** - at least four (4) jars, eighteen (18) ounce smooth only;
- b. Type four (4) stores agree to stock the following:
- 1) **Infant formula** - at least ninety-three (93) cans of Similac with iron, thirteen (13) ounce concentrate; at least sixty-two (62) cans of Isomil, thirteen (13) ounce concentrate;
 - 2) **Infant cereal** - at least two (2) single grain varieties without fruit; at least six (6) eight (8) ounce boxes;
 - 3) **Whole milk and lowfat milk** - at least two (2) half-gallon, and six (6) gallon containers for each type;
 - 4) **Cheese** - at least one (1) chunk style, eight (8) ounce or one (1) pound size; at least two (2) pounds. No shredded, deli-specialty cheese, cheese food, cheese product, or cheese spread allowed;
 - 5) **Cereal** - at least four (4) varieties of WIC approved cereal; at least four (4) boxes of each;
 - 6) **Juice (unsweetened)** - at least two (2) varieties in forty-six (46) ounce, single strength cans; one (1) orange, and one (1) apple; at least six (6) cans of each. At least one variety of twelve (12) ounce frozen concentrate; at least six (6) cans;
 - 7) **Eggs** - large or medium (white); at least four (4) dozen;
 - 8) **Dried peas or beans** - one (1) pound package; one (1) brand; at least four (4) packages of unflavored; Example: NO ham flavored;
 - 9) **Tuna** - at least one hundred and four (104) ounces in any can container size. Any brand, water or oil packed;
 - 10) **Carrots** - at least one variety of either frozen, mature fresh, or canned; at least four (4) pounds;
 - 11) **Peanut Butter** - at least four (4) jars, eighteen (18) ounce smooth only;
- c. Type five (5) stores agree to make available upon request;
- 1) Special formulas (Sustacal, Neocate, Similac Special Care 24 Calorie with Iron, etc.)
 2. To accept WIC Program negotiable food instruments, hence forth called WIC checks, only from participants;
 3. To check WIC Program I.D. Card to verify authorization of person redeeming WIC check;
 4. Not to accept WIC checks prior to "date of issue" or after "void after date;"

5. Not to accept WIC checks without a project stamp;
6. To allow the purchase of only the authorized foods in the quantity and size shown on the WIC check; unless the patient does not want all the items;
7. Not to provide unauthorized foods or non-food items, cash or credit (including rain checks) in exchange for WIC food checks;
8. Not to exchange WIC foods (except for food items that are defective, spoiled or exceed their sell/use date and only for the exact same brand & size of food item);
9. Not to collect sales tax on WIC purchases;
10. Charge no more than the current shelf price of authorized foods and to reimburse the Department for any overcharges, intentional or unintentional;
11. To enter purchase price and date, in ink, on WIC check prior to obtaining the participant's signature;
12. To attach register receipt or adding machine tape to stub of the WIC check;
13. To obtain the necessary signature for receipt of the authorized food by the participant, verify signature with that on I.D. card;
14. To permit WIC participants to redeem WIC checks without purchasing other foods;
15. Not to allow any cash exchange or refund with WIC check transactions;
16. To refuse to accept any WIC checks that have been altered;
17. Not to accept WIC checks when unable to supply all authorized foods (no issuance of rain checks);
18. To clearly stamp WIC checks with your WIC vendor stamp;
19. To deposit negotiable WIC checks into your local bank within sixty (60) days of the "not valid before" date. This includes WIC checks rejected and returned by local banks to vendors. Approval for late submission is granted only for reasons beyond the vendor's control; (illness, death, etc.);
20. To resubmit rejected WIC checks to the WIC Compliance Unit within fifteen (15) days of the date received from the local retail bank;
21. To keep on file in your store a record of WIC deposits and bank statements;
22. Not to charge/seek payment from participants for foods purchased with WIC food checks or for WIC food checks that are rejected for payment or if amount exceeds the maximum;
23. To attend an Annual WIC Program Training Session;
24. Not to discriminate on the basis of race, color, or national origin, sex, age or handicap;
25. To show WIC participants the same courtesies as other customers, including allowing the use of coupons and providing trading stamps and other promotional specials, when applicable;
26. To submit WIC Vendor Price List forms within requested time period per instructions provided on the form;
27. To mark all WIC items with current price using labels on individual items or shelf tags listing cost/each;
28. To maintain inventory records and upon request, vendor must make available all WIC food checks in its possession and all program-related records.

29. The State WIC Program shall have the authority to audit store records, when necessary;
30. To be open for business at least eight (8) consecutive hours between 8:00 a.m. to 10:00 p.m. at least six (6) days a week;

B. The State WIC Program Agrees To:

1. Provide training for all vendors on an annual basis.
2. Provide individual training sessions that are requested.
3. Assist vendors with procedures for accepting and processing WIC checks.
4. Return rejected WIC checks on a timely basis.
5. Upon request, provide a copy of the Administrative Review Procedures.

C. FURTHERMORE, The Vendor Understands That:

1. The vendor will be monitored periodically to ensure compliance with the terms of this Agreement. During such monitoring visits, the person in charge will provide access to all WIC checks in the store on the day of the review, shelf price records, inventory records to support sales of WIC foods, and answer all questions on DHEC form 1890. The vendor will not use intimidation tactics, verbal abuse or bodily harm towards Agency employees. Violation points will be assigned for all violations noted during such visits.
2. When The State WIC Program determines the vendor has committed a violation that affects the payment to the vendor, this agency will delay payment or establish a claim. This agency may delay payment or establish a claim in the amount of the full purchase price of each food check that contained the vendor overcharge or other error.
3. Disqualification from another Food and Nutrition Service Program (i.e., Food Stamp Program) shall result in disqualification from the WIC Program. The disqualification shall be for the same length of time as the Food Stamp Program disqualification, may begin at a later date than the Food Stamp Program disqualification, and shall not be subject to administrative or judicial review under the WIC program.
4. Disqualification from the WIC Program may result in disqualification as a retailer in the Food Stamp Program. Such disqualification may not be subject to administrative or judicial review under the Food Stamp Program.
5. The State WIC Program must show a pattern of incidences to warrant a mandatory sanction, except the violation for "vendors convicted of trafficking/illegal sales," and "an administrative finding of "trafficking/illegal sales" and "the sale of alcohol or alcoholic beverages or tobacco products," which only require one incidence to warrant a mandatory sanction. This Agency shall impose mandatory disqualifications for the following:
 - a. Vendors convicted of trafficking (buying or selling food checks for cash) in WIC food checks or selling firearms, ammunition, explosives or controlled substances in exchange for food checks. Permanently disqualified;
 - b. An administrative finding of buying or selling WIC food checks for cash or selling firearms, ammunition, explosives or controlled substances in exchange for WIC food checks. A six (6) year disqualification;
 - c. The sale of alcoholic beverages or tobacco products in exchange for WIC food checks. A three (3) year disqualification;
 - d. Claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store's documented inventory of that supplemental food item for a specific period of time or failing to supply store records or failing to allow an audit of such records by the State WIC Program. A three (3) year disqualification;
 - e. Charging WIC participants more for supplemental food than non-WIC customers or charging participants more than the current shelf price. A three (3) year disqualification;

- f. Receiving, transacting and/or redeeming WIC food checks outside of authorized channels, including the use of an unauthorized vendor and/or an unauthorized person. A three (3) year disqualification;
 - g. Charging for supplemental food not received by the participant. A three (3) year disqualification;
 - h. Providing credit or non-food items, other than alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives or controlled substances for WIC food checks. A three (3) year disqualification;
 - i. Providing unauthorized food items in exchange for WIC food checks, including charging for supplemental food provided in excess of those listed on the WIC food check. A one (1) year disqualification;
 - j. When a vendor, who previously has been assessed a sanction for any of the violations listed in paragraphs (C)(4)(b) through (C)(4)(i), receives another sanction for any of these violations, this Agency shall double the second sanction;
 - k. When a vendor, who previously has been assessed two or more sanctions for any of the violations listed in paragraphs (C)(4)(b) through (C)(4)(i), receives another sanction for any of these violations, this Agency shall double the third sanction and all subsequent sanctions;
6. Any vendor who commits fraud or abuse of the WIC Program is liable to prosecution under applicable Federal, State, or Local laws, and/or disqualification from the WIC Program for the following (The sanction schedule can be found on pages 13-15 of your WIC Vendor Manual dated 2/1/01. The WIC Vendor manual and South Carolina State Regulation 61-94 (WIC Vendor) can be downloaded from our web site at (SCDHEC.NET/HS/MCH/WIC):
- a. Knowingly entering false information on WIC checks;
 - b. Failing to stock and make available the required approved food items in the categories and quantities as listed in this Agreement;
 - c. Unsanitary conditions (as determined by the Local Health Department);
 - d. Accepting WIC checks as payment on prior debit
 - e. Requiring WIC participants to purchase other foods in order to redeem their WIC check;
 - f. Denying WIC participants trading stamps or other promotional specials;
 - g. Issuing rain checks when an adequate stock of WIC approved foods is not available;
 - h. Requiring WIC participants to sign a charge slip for WIC items purchased with a WIC check;
 - i. Failing to attend Annual WIC Program Training Sessions;
 - j. Knowingly providing a cash refund for foods purchased with a WIC check;
 - k. Failing to supply store records or WIC checks when requested, or failing to allow an audit of such records by the State WIC Program.
 - l. Failing to complete and/or return WIC Vendor Price List form;
 - m. Knowingly entering false information on WIC Vendor Price List form;
 - n. Depositing for payment, one or more WIC Checks accepted by a non-approved vendor;
7. Failure to supply requested records shall result in disqualification from the WIC Program, as well as failure to allow monitoring of the store by a WIC Representative;

8. In addition to clams collection, the vendor may be sanctioned for vendor violations in accordance with the State agency's sanction schedule. Sanctions may include administrative fines, disqualification, and civil money penalties in lieu of disqualification. The State agency does not have to provide the vendor with prior warning that violations were occurring before imposing such sanctions.
9. Prior to taking any adverse actions which affect a vendor's participation (except expiration of this Agreement), the State WIC Program agrees to:
 - a. Give just cause;
 - b. Provide vendor, in writing, within at least fifteen (15) days advance notice.
 - c. Provide a copy of the Administrative Review Procedures.
10. The vendor may appeal any such decision that adversely affects (denial of authorization, termination for cause or disqualification) his/her participation in the WIC Program, and request a hearing. This appeal must be made in writing to the State WIC Program Office within fifteen (15) days of the date the action being appealed was taken. Failure to request a hearing within the fifteen (15) day advance notice period shall result in the vendor losing his right to participate. Actions not subject to administrative review can be found in 7CFR, Section 246.18 (a)(1)(iii), (copy provided upon request).
11. All hearings will be scheduled in accordance with 7CFR, Section 246.18.
12. WIC checks which do not meet established edit criteria will be rejected for payment.
13. When WIC checks are rejected for payment, the vendor shall have an opportunity to justify and/or correct the error, except for food instruments accepted prior to the "issue date" or after the "void after date." WIC checks rejected for payment must be accompanied by required verification (i.e., dated cash register receipt and written explanation when required) then mailed to the WIC compliance unit for approval. The vendor must then redeposit the WIC checks within the established time period to be considered for payment.
14. The vendor is responsible for training store owners, office managers, agents and employees and is responsible for their actions.
15. Pharmacies are required to make available, upon request, special formulas only.
16. The State WIC Program has the right to offset payments to vendors in order to reclaim overcharges for payments made for problem food instruments.
17. The State WIC Program has the right to conduct undercover compliance purchases to stores which exhibit one or more risk factors or appear in a yearly routine sample, and to apply violation points as appropriate for violations discovered. The statement(s) of the appropriate investigator(s), as documented in the applicable WIC Transaction Report, will serve as sufficient evidence to pursue sanctions against vendors found to be in violation of this Agreement.
18. The State WIC Program has the right to disqualify vendors from participation if the prices being charged for WIC foods increase to be above the average prices charged for the same type foods by other stores of the same "type" (based on WIC Program definition) within the State of South Carolina (vendor selection criteria). The "allowable percentage" is established by the WIC Program based on competitive pricing data as well as program budget and number of participants to be served. The "allowable percentage" is established each year and remains in effect for the entire year.

The vendor must comply with the vendor Agreement and Federal and State statutes, regulations, policies, and procedures governing the program, including any changes made during the agreement period. The vendor must comply with the vendor selection criteria throughout the agreement period, including any changes to the criteria. Using the current vendor selection criteria, this Agency may reassess the vendor at any time during the agreement period. This Agency will terminate this Agreement if the vendor fails to meet the current vendor selection criteria.

THE UNDERSIGNED represents that he/she is the sole owner of the store or has the authority to enter into this Agreement for, and on behalf of, the store. He/She understands that neither he/she, nor the State WIC Program has an obligation to renew this Agreement and that the Agreement can be terminated, with cause, following a thirty (30) day notification by either party. If a vendor is disqualified, this Agency will terminate the vendor's Agreement, and the vendor will have to reapply in order to be authorized after the disqualification period is over. If it is determined that the vendor has provided false information in connection with its application for authorization, this Agreement will be terminated immediately. If this Agency identifies a conflict of interest, between the vendor and this Agency or its local Agencies, this Agreement will be terminated immediately. This Agreement does not constitute a license or a property interest, he/she agrees to notify the State WIC Program of termination/closure of the store or change of ownership, at which time this Agreement shall become null and void.

FURTHERMORE, he/she swears and affirms that the owner(s)/manager(s) of this store is not related to (i.e., parent, child, sibling, spouse, grandchild, grandparent) of any person employed by the S.C. Department of Health and Environmental Control who has any connection with the operation of the WIC Program.

SIGNATURE OF VENDOR _____ TITLE _____ DATE _____

NAME OF VENDOR'S BUSINESS _____

STREET _____ CITY _____ STATE _____ ZIP CODE _____

COUNTY _____ PHONE _____

THIS IS A SAMPLE COPY ONLY - MUST BE SIGNED AND APPROVED BY AN OFFICIAL DHEC/WIC REPRESENTATIVE